

1 [Accept and Expend Grant - Retroactive - Federal Aviation Administration - CARES Act -
2 Operating Expenses - FY2019-2020 through FY2023-2024 - \$254,780,449]

3 **Resolution retroactively authorizing the Airport Commission to accept and expend a**
4 **grant in the amount of \$254,780,449 plus additional amounts up to 15% of the original**
5 **grant amount that may be offered, from the Federal Aviation Administration for any**
6 **lawful airport purpose for the period of January 20, 2020, through January 19, 2024,**
7 **contingent on receipt by the Airport Commission of one or more grant offers from the**
8 **Federal Aviation Administration.**

9
10 WHEREAS, The onset of COVID-19, a new coronavirus causing severe upper
11 respiratory illness, has resulted in a substantial decrease in passenger levels and revenues at
12 the San Francisco International Airport (the "Airport") in Fiscal Year 2019-2020; and

13 WHEREAS, The federal Coronavirus Aid, Relief, and Economic Security (CARES) Act
14 was enacted on March 27, 2020 to provide financial relief to various governmental and
15 corporate entities, including airports; and

16 WHEREAS, The Federal Aviation Administration (FAA) will award and administer the
17 CARES Act funding for airports, which includes formula-based grant funding to airports for
18 any purpose for which airport revenues may lawfully be used (the "Relief Funding"); and

19 WHEREAS, The Relief Funding does not require matching funds from the City; and

20 WHEREAS, The Airport has been allocated \$254,780,449 of Relief Funding under the
21 CARES Act; and

22 WHEREAS, As a condition to receipt of CARES Act funding, the City must continue to
23 employ, through December 31, 2020, at least 90 percent of the number of individuals
24 employed (after making adjustments for retirements or voluntary employee separations) at the
25 Airport as of March 27, 2020, the date of enactment of the CARES Act; and

1 WHEREAS, The grant period for the Relief Funding is January 20, 2020, through
2 January 19, 2024; and

3 WHEREAS, FAA will distribute the Relief Funding on a reimbursement basis for eligible
4 expenditures incurred on or after January 20, 2020, which may include reimbursement of
5 expenditures made prior to the grant award date from Airport revenue pursuant to authority
6 granted by Ordinance No. 181-18; and

7 WHEREAS, On May 8, 2020, pursuant to Resolution No. 20-0076, the Airport
8 Commission authorized the Airport Director to accept and expend Relief Funding in an
9 amount up to \$254,780,449, plus additional amounts up to 15% of the original grant amount
10 that may be offered, on budgeted Airport operating purposes for Fiscal Year 2019-2020,
11 Fiscal Year 2020-2021, or both; and

12 WHEREAS, Under Administrative Code, Section 10.170-1, the acceptance and
13 expenditure of federal, state, or other grant funds in the amount of \$100,000 or more is
14 subject to the approval by resolution of the Board of Supervisors; and

15 WHEREAS, Acceptance and expenditure of these grants do not require an Annual
16 Salary Ordinance amendment; and

17 WHEREAS, The Airport Commission proposes to maximize use of available grant
18 funds on program expenditures by not including indirect costs in the grant budget; now,
19 therefore, be it

20 RESOLVED, That the Airport Commission is hereby authorized to accept and expend
21 Relief Funding from FAA in the amount of \$254,780,449, plus additional amounts up to 15%
22 of the original grant amount that may be offered, contingent on receipt by the Airport
23 Commission of a grant offer from FAA for Relief Funding consistent with this Resolution; and,
24 be it

1 FURTHER RESOLVED, That the Board of Supervisors hereby waives inclusion of
2 indirect costs in the grant budget; and, be it

3 FURTHER RESOLVED, That the Airport Commission is hereby authorized to accept
4 and expend the grant funds pursuant to Administrative Code, Section 10.170-1; and, be it

5 FURTHER RESOLVED, That the Airport Director is authorized to enter into one or
6 more grant agreements with the FAA on behalf of the City for acceptance of the grant funds
7 authorized by this Resolution; and, be it

8 FURTHER RESOLVED, That the authorizations contained in this Resolution are
9 contingent on receipt by the Airport Commission of one or more grant offers from FAA
10 consistent with this Resolution; and, be it

11 FURTHER RESOLVED, That within thirty (30) days of each such grant agreement
12 being fully executed by all parties, the Airport Commission shall provide a copy to the Clerk of
13 the Board of Supervisors for inclusion in the official file.

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Recommended:

Department Head

Approved: _____

Mayor

Approved: _____

Controller